

TABLE B

Additional Reductions Needed to Achieve a Balanced Budget for WorkFirst

The table below describes additional reductions needed to achieve a balanced WorkFirst budget for the current fiscal year and the 2011-13 biennium. The table includes reduction needed to achieve the 6.3 percent across the board cuts directed by the Governor. The 6.3 percent reductions are shaded.

The reductions outlined below are in addition to the reductions announced earlier in August 2010 to address what was then a \$51 million shortfall in the WorkFirst budget.

Table B includes a reduction in the maximum amount of Diversion Cash Assistance that can be authorized for an eligible family. This reduction was approved by the Legislature during the December 11 Special Session, and it is not assumed in the Governor's proposed budget for 2011-13. All other reductions are carried forward in the Governor's proposed biennial budget.

	Estimated Savings	Estimated Number of Affected Families	Effective Date
<i>Working Connections Child Care (WCCC)</i>			
Child care eligibility for all WCCC families with monthly income over 175% of the federal poverty level (\$2,670 for a family of three) will end on January 1, 2011. Case closures will not be based on when a family's WCCC certification period ends. <u>Note:</u> The income eligibility limit for WCCC subsidies will remain at 175% of the federal poverty level.	\$4.7 million for State Fiscal Year (SFY) 2011	1,112 families were over 175% FPL in December 2010	January 2011
Limit new entries to WCCC to low-income families who are receiving TANF (WorkFirst) or would be eligible for TANF based on their income.	\$9.8 - \$12.5 million for SFY 11 \$40 million annually	About 1,600 families per month who are not on TANF and would have applied for WCCC	February 2011
Increase the monthly child care co-payment for a family that is not on TANF by \$10.	\$1 million for SFY 11 \$2.4 million annually	All WCCC families with income over 82% of the federal poverty level (monthly income over \$1,251 for a family of three)	February 2011

	Estimated Savings	Estimated Number of Affected Families	Effective Date																		
TANF Grant Reduction																					
<p>Reduce the TANF grant standard by 15%. With this reduction, the maximum monthly grant for a three-person family would decrease from \$562 to \$478.</p> <table><tr><th>Assistance Unit Size</th><th>Current Grant Standard</th><th>With 15% Reduction</th></tr><tr><td>1</td><td>\$359</td><td>\$305</td></tr><tr><td>2</td><td>\$453</td><td>\$385</td></tr><tr><td>3</td><td>\$562</td><td>\$478</td></tr><tr><td>4</td><td>\$661</td><td>\$562</td></tr><tr><td>5</td><td>\$762</td><td>\$648</td></tr></table>	Assistance Unit Size	Current Grant Standard	With 15% Reduction	1	\$359	\$305	2	\$453	\$385	3	\$562	\$478	4	\$661	\$562	5	\$762	\$648	<p>\$21.37 million for SFY 2011</p> <p>\$50.68 million annually</p>	<p>This change will impact all WorkFirst families</p> <p>In October 2010, there were 67,366 families in the program</p>	<p>February 2011</p>
Assistance Unit Size	Current Grant Standard	With 15% Reduction																			
1	\$359	\$305																			
2	\$453	\$385																			
3	\$562	\$478																			
4	\$661	\$562																			
5	\$762	\$648																			
Income Budgeting																					
<p>Count the federal Supplemental Security Income (SSI) of all household members when determining the family’s eligibility for WorkFirst and grant amount. Currently this income is not counted.</p>	<p>\$10.69 million for SFY 2011</p> <p>\$29.4 million annually</p>	<p>This change is anticipated to reduce or end TANF benefits for about 7,100 WorkFirst families</p>	<p>March 2011</p>																		
Families in Sanction																					
<p>A WorkFirst family is permanently disqualified from the program when the family has been terminated from TANF more than two times due to a non-compliance sanction caused by a failure to comply with required work activities. This permanent disqualification does not apply to children living in the home who are not required to participate in WorkFirst.</p>	<p>\$32,000 for SFY 2011</p> <p>\$95,000 annually</p>	<p>16 families per year</p>	<p>April 2011</p>																		
WorkFirst Engagement																					
<p>Implement new strategies aimed at moving families to engagement in activities that matter.</p>	<p>\$3.2 million for SFY 11</p> <p>Assumes 2% reduction in caseload</p>																				

	Estimated Savings	Estimated Number of Affected Families	Effective Date
Child-only Cases			
<p>Apply an income 'means test' of 200% of the federal poverty level to child-only cases where the parent is not in the home. This includes kinship care cases. Under current rules for these cases, only the child's own income and resources are considered in determining eligibility for the grant.</p> <p>200% of the federal poverty level is the income eligibility standard for Basic Food, Washington's food stamp program. This means that in a household of three people, the household income must be less than \$3,052 per month for the child to be eligible for TANF.</p>	<p>\$2 million for SFY 2011*</p> <p>\$2 million annually</p>	<p>There are currently about 10,400 TANF families with a kinship or legal guardian caregiver</p> <p>These families would be subject to the income means test</p>	<p>To be determined*</p> <p>*Computer system changes needed to apply a new means test will not be ready until November 2011. The Department of Social and Health Services is evaluating possible manual work-arounds that would allow earlier implementation during the current fiscal year to achieve identified savings.</p>
Diversion Cash Assistance			
<p>Reduce the maximum amount of Diversion Cash Assistance (DCA) a family can receive from \$1,250 to \$1,000. Diversion is a one-time payment that families can opt for if they have a short-term need and do not wish to receive ongoing TANF cash assistance.</p> <p>To qualify for DCA, the family must meet TANF eligibility criteria. Families can receive DCA once in a 12-month period.</p>	<p>\$856,000 GF-S for SFY 2011 only; is not carried forward in the Governor's 2011-13 budget</p> <p><i>This reduction was approved by the Legislature during the December 11 Special Session</i></p>	<p>Over 8,500 families received DCA help between November 2009 and October 2010</p>	<p>January 2011</p>
Tribal TANF			
<p>Reduce state maintenance-of-effort funding for Tribal TANF programs by 6.3%.</p>	<p>\$401,000 for SFY 2011</p> <p>\$801,760 annually</p>	<p>10 Tribes and one tribal consortium currently operate a Tribal TANF program</p>	<p>January 2011</p>
Child Welfare Services			
<p>Reduce funding from the WorkFirst budget that is used to support the delivery of child welfare services by 6.3%.</p>	<p>\$2.37 million for SFY 2011</p> <p>\$2.37 million annually</p>	<p>n/a</p>	<p>January 2011</p>

	Estimated Savings	Estimated Number of Affected Families	Effective Date
<i>Transfer of Funds</i>			
Transfer revenue for SFY 12 to help address SFY 11 shortfall.	\$21.31 million		